GSTAT

Court No. Court I

APL/14/KLK/2026 &

APL/10/KLK/2026

ANIL KUMAR SINGH .... **Appellant**

Versus

DIRECTOR, S/O SANJAY KUMAR AGARWALLAHAR PATTI NEHRU ROAD THAKURGANJ BRKIS 855116, AGARWALA'S BITUMEX PRIVATE LIMITED .... **Respondent**

Counsel for Appellant
SHRI RAKESH KUMAR, SUPERINTENDENT, CGST, AUTHORISED REPRESENTATIVE

Counsel for Respondent CA (MR.) GAURAV SHARMA

Hon'ble Shri Sunil Kumar Singh, Member(Judicial)
Hon'ble Shri Bijoy Kumar Kar, Member (Technical)

Form GST APL-04A

[See rules 113(1) & 115]

Summary of the order and demand after issue of order by the GST Appellate Tribunal

whether remand order : No

Order reference no. : **Date of order :**

1.	GSTIN/Temporary ID/UIN - 19ABACA8140P1Z9	
2.	Appeal Case Reference no. - APL/14/KLK/2026 & APL/10/KLK/2026	Date – Both dated 12.02.2026
3.	Name of the appellant – ANIL KUMAR SINGH	
4.	Name of the respondent - M/s Agarwala's Bitumex Private Limited	
5.	Order appealed against –	
	(5.1) Order Type – Appeal Order	
	(5.2) Ref Number - ZD19092503726X and ZD190925037046	Date - 12.09.2025 & 05.06.2025
6.	Personal Hearing – 19/05/2026, 12/06/2026, 16/07/2026 and 30/07/2026	
7.	Status of Order under Appeal - Dismissed – Order under Appeal is Dismissed	

8.	Order in brief - Impugned OIAs are upheld and revenue appeals are dismissed.
Summary of Order	
9.	If demand order then whether demand quantified: No

10.	For Other orders and Demand orders which are not quantified:	
Issues as raised by proper officer	Issues as determined by Appellate/Revisional authority	Order by GST Appellate Tribunal
Erroneous Refund	Appeal was allowed in favor of taxpayer.	The revenue appeal is dismissed.

Place

:KOLKATA

Date:20.08.2026

Signature

Shri Sunil Kumar Singh

Designation : Member

Jurisdiction :Kolkata

IN THE GOODS AND SERVICES TAX APPELLATE TRIBUNAL
KOLKATA BENCH
COURT NO.1

Appeal Nos.: APL/10/KLK/2026

The Pr.Commissioner
CGST & CX, Siliguri Commissionerate
GST Bhawan, C. R. Bhawan, Haren Mukherjee Road
Hakimpara, Siliguri, Darjeeling-734001

……….APPELLANT

Versus

M/s Agarwala's Bitumex Private Limited,
Holding No 37/491/1/AB/8, Radha Bazar,
Ground Floor, Thana More, Siliguri-734004
GSTIN/Temporary ID /UIN-19ABACA8140P1Z9

………RESPONDENT

AND

Appeal Nos.: APL/14/KLK/2026

The Pr.Commissioner
CGST & CX, Siliguri Commissionerate
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Ground Floor, Thana More, Siliguri-734004
GSTIN/Temporary ID /UIN-19ABACA8140P1Z9

………RESPONDENT

In appearance :

For the appellant: Mr. Rakesh Kumar, Superintendent, CGST
For the respondent : Mr. Gaurav Sharma, Chartered Accountant

CORAM :

Hon'ble Shri Sunil Kumar Singh : Judicial Member
Hon'ble Shri Bijoy Kumar Kar : Technical Member

Final Order

Date of Hearing :
Date of Order :

Per: Shri Sunil Kumar Singh, Judicial Member

1. Since both the appeals bearing Nos APL/10/KLK/2026 and APL/14/KLK/2026 arise from the same *lis* and revolve around substantially similar facts and questions of law, they are taken up together for disposal by a common order with the consent of the parties for the sake of convenience and to avoid multiplicity of proceedings.

2. The present appeals have been preferred before the GSTAT, Kolkata Bench under sub-section (1) of Section 112 of the Central Goods & Services Tax Act, 2017 (in short the 'CGST Act') against the Order-in-Appeal No. 295/SLG-GST/2025-26 and 296/SLG-GST/2025-26, both dated 12.09.2025 passed by the Joint Commissioner (Appeals), CGST & CX, Siliguri Appeal Commissionerate (in short 'the first Appellate Authority'). The said appeals have been filed before the first Appellate Authority by the present respondent i.e., M/s Agarwala's Bitumex Private Limited under sub-section (1) of Section 107 of the CGST Act against the Order-in-Original bearing Ref Nos. ZD190525049468V dated 28.05.2025 and ZD190625009380H dated 05.06.2025 passed by the Assistant Commissioner of CGST and Central Excise, Siliguri Division, Siliguri Commissionerate.

3. The brief facts as stated in the appeals are that the respondent i.e., M/s. Agarwala's Bitumex Private Limited (GSTIN 19ABACA8140P1Z9) situated at Holding No. 37/491/1/AB/8, Radha Bazar, Ground Floor, Thana More, S.F Road, Opposite Siliguri Thana, Ward No.8, Siliguri, Darjeeling, West Bengal – 734004 is engaged in the supply of other bars and rods of iron or non-alloy steel, bitumen, etc. falling under HSN 7214 and 2714, respectively. Further, the respondent is also engaged in the export of the said goods out of India and claim refund of accumulated Input Tax Credit (in short 'ITC') under Section 54 of the CGST Act, 2017.

4. In the instant case, the respondent has exported goods out of India and is claiming the refund of accumulated ITC. Accordingly, the respondent has filed for refund of accumulated ITC for an amount of Rs.11,41,828/- and Rs.27,65,697/- for the months of January, 2025 and February, 2025, respectively with the jurisdictional Officer i.e., the Assistant Commissioner of CGST and Central Excise, Siliguri Division, Siliguri Commissionerate (in short 'the original adjudicating authority' or 'OAA').

5. However, during the scrutiny of the said refund claims, the OAA has noticed certain deficiencies in both the aforesaid refund claims and accordingly issued two different Show Cause Notices (in short 'SCNs') bearing Ref Nos.

ZD190525023472G dated 15.05.2025 (pertaining to Appeal No. APL/14/KLK/2026) and ZD190525044217B dated 26.05.2025 (pertaining to Appeal No. APL/10/KLK/2026) to the respondent. The respondent has furnished replies to both the SCNs. The OAA after following the due course of law has rejected both the refund claims filed by the respondent vide Order-in-Original bearing Ref Nos. ZD190525049468V dated 28.05.2025 (pertaining to Appeal No. APL/14/KLK/2026) and ZD190625009380H dated 05.06.2025 (pertaining to Appeal No. APL/10/KLK/2026), respectively (in short 'the impugned OIOs'). Being aggrieved by the impugned OIOs, the respondent preferred appeals before the first Appellate Authority. However, the first Appellate Authority has allowed the refund claims filed by the respondent and set aside the impugned OIOs vide Order-in-Appeal No. 295/SLG-GST/2025-26 and 296/SLG-GST/2025-26, both dated 12.09.2025 (in short 'impugned OIAs')

6. The petitioner i.e., the Revenue being aggrieved by the Orders of the first Appellate Authority, filed the present appeals on the following grounds:

6.1 The first Appellate Authority has failed to appreciate that despite having clear evidence indicating serious discrepancies in the inward supply chain, the first Appellate Authority concluded that refund of unutilized ITC is admissible under Section 54(3) of the CGST Act, 2017. This conclusion is factually incorrect as it ignored the crucial findings of non-genuine inward supplies.

6.2 The first Appellate Authority has relied on the toll movement of the said 14 E-way bills (10 E-Way Bills in r/o APL/10/KLK/2026 and 4 E-Way Bills in r/o APL/14/KLK/2026) involved in both the instant appeals whereas it has been noticed that all fourteen consignments have encountered their first toll crossing in Bihar instead of West Bengal which contradicted the declared dispatch location i.e., Dhandebi Khanna Road, Kolkata-700054. The first Appellate Authority erred in dismissing this material evidence by relying solely on the "bill-to ship-to" explanation without verifying the actual movement. The first Appellate Authority's reliance on the bill-to ship-to model is misplaced. While such routing may explain delivery to Jogbani, Raxaul and Sonauli, it cannot justify the absence of any movement from the declared dispatch point in West Bengal. Where all toll data shows entry and circulation only within Bihar/UP, the issue is not delivery routing but false origin declaration. Bill-to ship-to permits a different destination — it does not validate movement that never began from West Bengal, and therefore does not cure the fundamental discrepancy in the alleged supply chain.

6.3 That the impugned OIAs passed by the first Appellate Authority overlooked the finding that the respondent's immediate supplier M/s. KS Metals Pvt. Ltd. ('KSM') procured goods from two suppliers whose registrations were *ab initio* cancelled well before the occurrence of alleged transactions. This establishes that no actual goods were available for supply, making the ITC ineligible.

6.4 It is further mentioned that even assuming that the goods were physically received by the respondent, and even assuming that the exports are genuine, these facts do not prove that the inputs were procured through a valid taxable supply. Under Section 16(2)(b) of the CGST Act, 2017 the condition is not merely receipt of goods but receipt of goods should be a valid taxable supply from a genuine registered supplier. Where the upstream supplier is non-existent or *ab initio* cancelled, the receipt of goods—whether facilitated, arranged, or otherwise— does not make the ITC eligible.

6.5 That in inward supply the main supplier i.e.., 'KSM' bearing GSTIN: 19AABCK3534H2ZK is a Kolkata based firm. However, it is further mentioned that on the analysis of movement of vehicles shows that no toll gate in the state of WEST BENGAL is crossed by these vehicles. All movement is in the state of BIHAR and UTTAR PRADESH only.

6.6 Further, the Revenue have mentioned that a letter has also been received from Office of Assistant Commissioner, Land Customs Station (in short 'LCS') Jogbani, Bihar regarding the verification of genuineness of the exporter as well as documents/invoices for the purpose of refund of IGST paid for export of Bitumen VG-30.

6.7 That, Customs Preventive Hqrs, Patna have also issued a letter in which they have raised concern on the ITC used by the respondent and the licenses of the suppliers of the respondent for supply of the said product.

6.8 The Revenue have further mentioned that bitumen is a regulated petroleum commodity requiring valid licences (PESO/State petroleum trading permission/OMC authorization, etc.) for storage and trading. The supplier(s) lacked the requisite authorization, which independently renders the inward supplies illegal and incapable of generating ITC under Section 16. The Supplies in violation of statutory control cannot constitute a valid inward supply under GST, and ITC/refund cannot flow from an illegal transaction.

6.9 That the first Appellate Authority proceeded on the premise that possession of tax invoices, e way bills and GSTR-2B reflection is sufficient to allow ITC. However, mere documentary compliance alone does not establish actual receipt of goods, and ITC may be denied where supply is doubtful, fictitious or non-existent. Thus, **the mandatory condition under Section 16(2)(b) has not been fulfilled**. Refund of accumulated ITC under Section 54(3) is permissible only when such ITC is legitimately availed. Where the inward supply itself is doubtful or fictitious, no refund is admissible.

6.10 That the State GST has already issued SCN for fake ITC to M/s Simplex Natural Resources LLP (GSTIN:19AEQFS9121J1ZC) (in short 'Simplex') (the earlier unit of the respondent). Even the Directorate General of GST Intelligence (in short 'DGGI') had initiated investigation against 'Simplex'. The investigation initiated by the State GST Authorities was also transferred to the DGGI and it is alleged that the respondent is following the similar *modus operandi* followed in the earlier case also.

7. Shri Rakesh Kumar, Superintendent, CGST, Authorized Representative of the Revenue appeared through virtual mode and argued the case. He reiterated the facts and submissions which are already submitted in the Grounds of Appeal filed by the Revenue.

8. We have heard the argument of the petitioner on the point of admission. The appeal was admitted and accordingly notice was issued to the respondent. The respondent filed his authorization and appear through Shri Gaurav Sharma, CA, the Authorized Representative. The authorized representative has filed his Cross Objection against the instant appeals.

9. Shri Gaurav Sharma, CA, Authorized Representative of the respondent has filed the Cross Objection and are as under:

9.1 That with regard to the issue of serious discrepancies in the inward supply chain as contended by the Revenue in para 6.1 above, the respondent has relied upon the findings made by the first Appellate Authority, wherein the first Appellate Authority has held that the Revenue has disputed that the supplier of the respondent i.e., 'KSM' had purchased goods from a supplier with a cancelled registration means no goods were delivered is an incorrect assumption and not supported by facts. The first Appellate Authority has affirmed that the registration of 'KSM' is not disputed and is still active. The first Appellate Authority has also held that in the instant case, there is no dispute with the level 1 supplier. Rather, the Revenue has disputed the level 2 supplier. In light of such a detailed examination, the first Appellate Authority was pleased to set aside the impugned OIOs in favour of the respondent considering the authenticity and bona-fide nature of the relevant transactions and documents.

9.2 That with regard to the issue of non-crossing of the vehicle through proper toll plaza as contended by the Revenue in para 6.2 above, the respondent submits that the GST law nowhere prescribes verification of toll plaza movement or data as a statutory condition for availment of ITC. The only conditions required to be fulfilled are those expressly stipulated under Section 16(2) of the CGST Act 2017 which have been duly fulfilled by the respondent. Further, the Revenue has sought to draw adverse inference merely on the basis of alleged discrepancies in toll plaza movement data. Such reliance is wholly misplaced, extraneous to the statutory provisions, and beyond the scope of Section 16 of the CGST Act 2017.

9.3 With respect to the above cross objection, the respondent submitted that there exists no statutory mechanism or legal obligation upon a taxpayer to independently verify or preserve toll plaza movement for the purpose of claiming ITC. The respondent advised the supplier to handover the goods at the LCS at Jogbani. Hence, the supplier by complying the GST provisions raised tax invoice and e-way bill under the "BILL TO-SHIP TO" model. The e-way bills were issued by their supplier and the same was issued under "BILL TO SHIP TO" model wherein the Ship To location was given as LCS, Jogbani. The ship to address was given on the direction of the respondent so as to facilitate exports easily and also reduce the operational time and costs. The goods received at the ship to address is not disputed were subsequently exported therein and shipping bill copies and Export General Manifest (in short 'EGM') generated by the customs are a proof of the export done.

9.4 In support, the respondent further submitted that had the goods not been physically received, or if there had been no actual movement of goods, the subsequent export would not have been possible. This fact alone substantiates the genuine receipt and movement of the goods. The receipt of goods and further export completes the entire trade cycle.

The respondent would like to highlight the fact that the e-way bills w.r.t the concerned invoices were generated by the supplier i.e. KSM and therefore, the respondent is not privy to the exact location from which the goods were dispatched.

9.5 That the respondent are not aware of the fact as to from whom and where has the supplier ('KSM') arranged for the goods or which route they take to deliver it at our ship to location. The respondent did not have any reason to conduct an in-depth scrutiny of the above facts as the respondent was in receipt of the goods at the address as per given in e-way bill which is the custom station; from where the respondent initiated further export of the same goods. Additionally, there exists no such mechanism also to check the origin of goods or track the movement of it through toll plazas and neither the respondent was inclined in doing so when he actually had received the goods and exported them further. The respondent was in receipt of goods duly as per the "BILL TO SHIP TO" arrangement; as apparent from the e-way bill.

9.6 The respondent, having produced valid transportation documents issued by registered Goods and Transport Agency (in short 'GTA') operators evidencing movement of goods, cannot be subjected to denial of substantive ITC benefits on speculative assumptions arising from toll data which is not even a condition laid down in GST law. It is also notable that the documents have never been disputed by the Revenue.

9.7 Further, the respondent has placed reliance in the matter of Raghuvansh Agro Farms Ltd. v. State of U.P. [Writ Tax No. 3829 of 2025] wherein the Hon'ble Allahabad High Court passed a landmark ruling that *"Toll plaza receipts not mandatory for justifying actual physical movement of goods under GST"*. It is a well settled that procedural or collateral discrepancies cannot override substantive documentary evidence proving actual supply and movement of the goods.

9.8 The respondent further submits that ITC cannot be denied merely on the basis of assumptions and ancillary discrepancies when substantive conditions stand satisfied as per provisions and the transactions are otherwise genuine. In the present case, the respondent has adequately and rightfully demonstrated the actual physical movement of goods and the genuineness of the transactions by furnishing a comprehensive set of supporting documents beyond mere tax invoices. These include E-way Bills, bilty copies, shipping bills, EGM details, the transporter's certificate, and relevant bank statements reflecting the transaction details. The documents collectively substantiate the engagement of a registered GTA, the delivery of goods, and the subsequent export of the same. The respondent has taken all reasonable and necessary steps to establish the bona fide nature and authenticity of the transactions as well as the actual movement of goods. Accordingly, the allegations founded upon toll plaza movement are liable to be rejected in toto and the consequential denial of ITC deserves to be set aside. Further, GST law does not prescribe verification of toll plaza movements or data as a statutory condition for availment of ITC. The goods received at the ship to address were subsequently exported therein and shipping bill copies and EGM generated by the customs are a proof of the export done.

9.9 With regard to the issue of procurement of goods from their supplier namely M/s. KS Metals Pvt. Ltd. ('KSM') from two suppliers whose registrations were *ab initio* cancelled well before the occurrence of alleged transactions and accordingly this establishes that no actual goods were available for supply, making the ITC ineligible, as pointed by the Revenue in para 6.3 above, the respondent contended that their purchases were made from 'KSM' and neither they are aware nor there exists any obligation or requirement for the respondent to know or keep a track of the dealings between their supplier and supplier of 'KSM'. Hence, when they have no business with the 2nd line supplier; their GST registration getting cancelled is beyond their concern. The respondent had no nexus with those suppliers and Revenue's contention in denying ITC because of 3rd party is unreasonable and not liable to stand in any grounds. Further, the Revenue has never disputed the genuineness of respondent's direct supplier i.e., 'KSM'.

9.10 With regard to the allegation made by the Revenue in para 6.4 above wherein it was alleged that even though goods were physically received and the exports are genuine, goods should have been received from a genuine registered supplier thereby making ITC ineligible, the respondent contended that the GST law does not cast any obligation upon a bona fide purchasing dealer to undertake forensic verification of the entire upstream supply chain beyond its direct supplier. Once the purchases are supported by valid tax invoices, transportation documents, payment records, and proof of movement of goods, ITC cannot be denied on account of alleged default or cancellation of registration of third parties; especially when the Revenue itself acknowledges the genuineness of supply and subsequent exports.

9.11. With regard to the contention raised by the Revenue in para 6.5 above, wherein it is alleged that even though the main supplier 'KSM' is a Kolkata based firm and supply is from Kolkata to Siliguri. Further, on analysis of movement of vehicles it is seen that no toll gate in the state of WEST BENGAL is crossed by these vehicles and all movement is within the states of BIHAR and UTTAR PRADESH only, the respondent contended that Bill to/ Ship to transactions are very much allowed in GST law.

9.12 With regard to the contentions raised by the Revenue in paras 6.6, 6.7, 6.8 and 6.10 above, the respondent has contended that the Revenue has sought to raise and rely upon certain new grounds/contentions before the Hon'ble GSTAT which were never alleged, proposed, or made part of the SCN, nor formed the basis of the adjudication order, nor were urged before at the time of appeal. The respondent contended that the Revenue has raised grounds to appeal in addition to the discrepancies or allegations raised earlier in the SCN and the impugned OIOs or before the first Appellate Authority. The respondent wishes to refer to Rule 45(1) of the GSTAT Procedure Rules, 2025 which puts a complete embargo over the right to produce additional evidences and provides that the parties to the appeal shall not be entitled to produce any additional evidence, either oral or documentary, before the Appellate Tribunal. Rule 45(1) of the GSTAT Procedure Rules is being reproduced for brevity: *"45(1) The parties to the appeal shall not be entitled to produce any additional evidence, either oral or documentary, before the Appellate Tribunal"*.

9.13 Further, the producing of additional evidence has been restricted/barred under Rule 112 (1) of the CGST Rules 2017 as well. The relevant text of the same is reproduced "*The appellant shall not be allowed to produce before the Appellate Authority or the Appellate Tribunal any evidence, whether oral or documentary, other than the evidence produced by him during the course of the proceedings before the adjudicating authority or, as the case may be, the Appellate Authority*".

9.14 That these allegations for a matter of fact have never been made a part of the SCN or adjudication and therefore, shall be termed as "Additional Evidence" which is not allowed before the GSTAT as per Rule 45(1) of GSTAT Procedure Rules and Rule 112(1) of the CGST Rules, 2017. This rule explicitly renders these additional allegations not to be admitted or made a part of the appeal proceedings before the Hon'ble GSTAT.

9.15 That the entire proceedings under the GST law are founded upon the allegations contained in the SCN, and the adjudication as well as appellate proceedings are necessarily confined to the issues arising therefrom. It is a settled principle of law that neither the adjudicating authority nor the appellate authorities can travel beyond the scope of the SCN. The new grounds now sought to be introduced by the Revenue constitute an altogether fresh set of allegations and amount to supplementing upon the SCN and the impugned orders. Permitting such grounds to be raised for the first time at the Tribunal stage would cause grave prejudice to the respondent and would be contrary to the principles of natural justice, as the respondent was never put to notice regarding such allegations and consequently had no opportunity to rebut the same during the earlier stages of the proceedings.

9.16 The respondent further submitted that the Revenue cannot be permitted to build new allegations and grounds beyond the SCN, the OIO. Any contention, allegation, or ground not forming part of the original proceedings is liable to be rejected in *limine* and ought not to be admitted or considered by the Hon'ble Tribunal.

9.17 Accordingly, the additional grounds/contentions sought to be raised by the Revenue for the first time before the Hon'ble GSTAT deserve to be excluded from consideration and rejected as being beyond the scope of the SCN and the orders passed thereunder. Without prejudice to the preliminary objection regarding the maintainability of the newly raised grounds, the respondent also disputes the said allegations on merits. The allegations are wholly vague and lack any foundational basis whatsoever for being raised or connected with the facts and circumstances of the present case.

10. We have heard the arguments of the parties in detail and the same are not being discussed here as because the parties have advanced their arguments which have already been covered in the Grounds of Appeal.

11. Discussion and Findings

11.1 We have carefully heard the arguments of parties and examined the records minutely and also perused the show cause notices (SCNs) issued by the Petitioner authority. From the show causes, it is admitted that the duty has been paid by the respondent which is clearly reflecting from the documents viz., GSTR-1, GSTR 2B and GSTR 3B. Refund application filed in Form GST RFD 01 has been verified by the Department. It is also not in dispute by the Department that goods have not been exported. The first dispute raised by the Department is that the goods purchased by the petitioner from M/s. K.S. Metal have not been dispatched from West Bengal. This fact has been mentioned in the SCNs at para 2 (c). Another dispute has been raised in the same para regarding purchase of the goods by M/s KS Metals Private Limited from two suppliers namely M/s. Bhadra Enterprises and M/s. Maa Kali Traders whose GST Registrations having been *ab initio* cancelled. The Department has raised only these two objections in their show cause notices.

11.2 The first dispute raised in the SCNs regarding dispatch of the goods from declared dispatch location is disputed. From the records, it reveals that the Department have raised this objection purely on the basis of toll plaza movements. The contention of the Revenue is that there is no toll plaza movement of the goods showing in the state of West Bengal despite the head office/ registered office shown is in West Bengal. The toll movement is as per the Revenue is only in the state of Bihar and Uttar Pradesh. The Revenue have clearly admitted that the goods have been received at Ship to point and duly exported. This is also verified and confirmed by the Revenue authorities. The LCS Export also confirms that the goods have been exported and Bank Realization Statement has also been received in the office of the DGFT. So, there is no dispute regarding the export of the goods. The only dispute has been raised regarding the way of transportation. We have also seen the documents submitted by the respondent. From the E-Way Bills, it is confirmed that the method of transportation is Bill To Ship To Model. In the said model, the exporter has delivered the goods directly at the place of export by giving instructions to the supplier namely M/s. KS Metals Private Limited. There is no provision in the GST law that the goods should necessarily start from the registered place of the supplier. The supplier shall supply the goods as per the instructions of the receiver/ exporter to the place of export in Ship To Bill To model. The respondent has filed all supporting documents which includes E-way Bills, bilty copies, shipping bills, EGM details, the transporter's certificate, and relevant bank statements reflecting the transaction details. The documents collectively substantiate the engagement of a registered GTA, the delivery of goods, and the subsequent export of the same. These documents have not been disputed by the Revenue. We have also gone through Section 16(2) of the CGST Act, 2017. From perusal of the said Act, it is clear that the respondent has complied all the conditions mentioned in clauses (a) to (d) of sub-section (2) of Section 16. Thus, the respondent is eligible to take ITC. As far as dispute raised regarding the transport of the goods where the Revenue has relied on toll gate receipts, the respondent has argued that the toll gate receipts are not mandatory for showing transportation of goods. The respondent has placed his reliance on the judgement of M/s.

Raghuvansh Agro Farms Limited Vs. State of UP (2026)38 Centax 53 (All) (17-12-2025) (Writ Tax No.3829 of 2025) passed by the Hon'ble Allahabad High Court. The Hon'ble Court have observed in paragraphs 28 and 29 which is reproduced as below:

"28. Further the record shows that purchases and sales are being duly reflected in the GST portal supported by tax invoices, e-way bill and bilty and all payments were made through banking channels. The supporting ledgers were also brought on record, which clearly shows that due purchases have been made as well as actual physical movement of the goods has been taken place and no case of circular trading is made out in favour of the petitioner.

29. Further, an inference has been drawn against the petitioner that the petitioner has failed to submit the toll plaza receipts in order to justify the actual physical movement of the goods. The said finding is patently or apparently perverse and is without any basis. The revenue has failed to bring on record any provision or rule under the GST Act as well as Rules, which compel the assessee to file toll plaza receipts in support of actual physical movement of the goods. On the contrary, e-way bill, bilty and tax invoice was produced and payments made to the transporter through banking channel and due ledger of the transporter has also been brought on record but without pointing out any defect therein, the impugned order cannot be justified in the eyes of law."

11.3 In view of the observation made by the Hon'ble Court, the toll plaza receipts are not necessary documents to show the transportation of the goods. The documents required for valid transportation and export must be reflected in GST portal supported by tax invoices, E-way Bills and Billty copies and the payments made through banking channels. The respondent has complied the above method and submitted the documents which is not in dispute. The toll plaza receipts are not mandatory requirement for availing the ITC. As far as the second issue mentioned in the SCNs is regarding cancellation of GST registration of the second line of the suppliers. From the records, it shows that the actual supplier i.e., M/s. KS Metals having valid registration and still exists in the GST portal. There is no connection between the respondent and the second line of suppliers. The respondent is not liable for any kind of irregularity committed by the second line of suppliers. The respondent has not committed any irregularity in the export of goods so he cannot be denied for taking refund of ITC.

11.4 The Revenue has raised additional grounds in paras 6.6 to 6.10 above first time before this Tribunal which comes in the category of additional issue as per the grounds of the Revenue. There is no mention regarding the prayer of additional evidence. For the additional evidence, there is no documents have been filed before this Tribunal to show that any investigation going on against the respondent herein. The Revenue authority have only stated that they have raised concerns on the ITC used by M/s. Agarwala's Bitumex Private Limited and the license of the supplier namely M/s. KS Metals Private Limited for supply of the said product. No document of investigation/ progress of the investigation has been filed in this appeal. Merely on the basis of information given before the Appellate stage and without any prayer for additional evidence cannot be allowed. The Rule 45(1) of GSTAT (Procedure) Rules 2025 and Rule 112(1) of CGST Rules, 2017 clearly bar the additional evidence to be recorded except in exceptional circumstances. As far as the grounds stated above in para 6.8, the Revenue have not produced any documents before this Tribunal except mentioning in the grounds that Bitumin is a restricted petroleum commodity requiring valid license for storage and trading. This issue has not been mentioned in the show cause despite knowledge to the Revenue authorities that any license is required for storage and trading. The same cannot be raised by the Revenue authorities at this stage. The ground mentioned in para 6.9 above is concerned, the Revenue has itself admitted that the documents submitted by the respondent are valid documents. They have also admitted about the export of goods. In such circumstances, there is no additional evidence is required for the grounds mentioned in para 6.9 above. There is no provision for considering the additional evidence except in exceptional circumstances, rather the same is barred under Rule 45(1) of the GSTAT Procedure Rules, 2025 and Rule 112(1) of the CGST Rules, 2017.

12. For the facts and reasons discussed above, the appeals bearing Nos APL/14/KLK/2026 and APL/10/KLK/2026 filed by the Revenue are accordingly dismissed.

SUNIL KUMAR SINGH

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(Shri Sunil Kumar Singh)

Member- Judicial

BIJOY KUMAR KAR

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Date: 2026.08.20 13:33:18 +05'30'

(Shri Bijoy Kumar Kar)

Member - Technical

Dated: